



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSISV507A Implement claim recovery procedures**

**Revision Number: 1**

## FNSISV507A Implement claim recovery procedures

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to recover money relating to a claim. It encompasses the complete process from initiating the recovery to finalisation of the claim.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
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### Application of the Unit

<b>Application of the unit</b>	<p>This unit applies to job roles such as underwriting involving specialist knowledge and functions in a range of insurance sectors and may be applied within organisations of various sizes and across a range of customer bases.</p>
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### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

<b>Prerequisite units</b>		

## Employability Skills Information

<b>Employability skills</b>	This unit contains employability skills.
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## Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Establish viability of recovery	1.1. <b>Sources</b> and rights of recovery are identified 1.2. Accurate calculation of achievable recovery amounts is made 1.3. Extent of recovery success is evaluated
2. Evaluate recovery methods	2.1. The benefit to the organisation of using each of the available <b>recovery methods</b> is determined following organisation operating procedures 2.2. Methods are assessed for compliance with relevant legislative and organisation policy requirements 2.3. Recovery action decided upon is appropriate to circumstances of loss 2.4. Recovery of correct amount from reinsurers is instigated where appropriate 2.5. Where necessary loss recovery agents are appointed to undertake loss recovery
3. Implement and monitor recovery progress	3.1. Demand is issued to responsible party 3.2. Knock for knock is confirmed, if applicable 3.3. Diary system is utilised to monitor follow-up 3.4. Referral is made to solicitor or other relevant <b>service provider</b> , if applicable 3.5. Recovery is implemented and followed up within specified timeframes and organisation guidelines
4. Negotiate recovery settlement	4.1. Recovery settlement is <b>negotiated on best terms</b> according to organisation policy 4.2. Negotiation is completed within timeframes and organisation procedures
5. Process monies	5.1. File is checked to determine whether recovery money has been received 5.2. Payment information is preparation and entered on the system to facilitate payment of claim by finance department, where applicable 5.3. Where applicable, client's share of recovery money is paid promptly 5.4. Claims are finalised according to <b>legislation</b> , regulations, organisation operating procedures and codes of practice, if applicable
6. Record outcome	6.1. All relevant <b>records</b> and files are promptly updated to display recovery action, amounts, and so on 6.2. Underwriter is advised of any special circumstances,

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
	if applicable

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

#### Required skills

- highly developed communication skills to:
  - determine and confirm information, using questioning and active listening as required
  - relate effectively to customers
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- well-developed numeracy and IT skills to:
  - perform calculations related to achieving required outcomes
  - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
  - access and update records electronically
  - access web based information services
- well-developed literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information
- learning skills to maintain knowledge of changes to compliance legislation and requirements
- problem solving skills to identify any issues that have the potential to impact on work outcomes and to develop options to resolve these issues when they arise
- self-management skills for complying with ethical, legal and procedural requirements research and analysis skills for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work

#### Required knowledge

- Credit Acts
- industry sector compliance requirements
- Insurance (Agents and Brokers) Act
- legal precedents and previous organisation and industry results
- organisation and industry sector policy wording
- organisation policy, procedures, underwriting guidelines and authorities
- Privacy Act
- relative industry sector hazards
- relevant common law Insurance Contracts Act
- relevant legislative requirements including taxation law
- Trade Practices Act

## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• apply a strategic overview of the organisation objectives and industry obligations</li> <li>• implement an effective recovery process.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables</li> <li>• access to organisation records</li> <li>• access to organisation policies and procedures.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency</li> <li>• observing processes and procedures in workplaces</li> <li>• verbal or written questioning on underpinning knowledge and skills</li> <li>• evaluating samples of work</li> <li>• accessing and validating third party reports</li> <li>• setting and reviewing workplace projects and business simulations or scenarios.</li> </ul>
<b>Guidance information for assessment</b>	

## Range Statement

<b>RANGE STATEMENT</b>	
<p>The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.</p>	
<b>Sources</b> of recovery may include:	<ul style="list-style-type: none"> <li>• goods sale</li> <li>• liable parties</li> <li>• other insurers</li> <li>• reinsurers</li> <li>• salvage and disposal.</li> </ul>
<b>Recovery methods</b> may include:	<ul style="list-style-type: none"> <li>• direct</li> <li>• solicitors</li> <li>• third party agents.</li> </ul>
<b>Service providers</b> may include:	<ul style="list-style-type: none"> <li>• mercantile agents</li> <li>• solicitors.</li> </ul>
<b>Negotiation</b> /viability may include:	<ul style="list-style-type: none"> <li>• compromised settlement</li> <li>• contributory negligence.</li> </ul>
<b>Best terms</b> basis refers to:	<ul style="list-style-type: none"> <li>• the best possible terms in the circumstances, including factors such as time, money and brand image.</li> </ul>
<b>Legislation</b> may include:	<ul style="list-style-type: none"> <li>• Carriage of Goods Acts</li> <li>• Credit Acts</li> <li>• Insurance (Agents and Brokers) Act</li> <li>• international conventions</li> <li>• law of liability and negligence</li> <li>• Privacy Act</li> <li>• small claims procedures</li> <li>• Trade Practices Act.</li> </ul>
<b>Records</b> include:	<ul style="list-style-type: none"> <li>• claims files</li> <li>• relevant client files.</li> </ul>

## Unit Sector(s)

<b>Unit sector</b>	Insurance services
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## Competency field

<b>Competency field</b>	
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## Co-requisite units

<b>Co-requisite units</b>		